GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:900
ANSWERED ON:01.03.2016
Shortage of Fertilizers
Kumar Shri Santosh;Nagar Shri Rodmal;Vellaigounder Shri Elumalai

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS & FERTILIZERS be pleased to state:

(a) whether there is shortage of fertilizers, particularly Potash fertilizers in the country, if so, the details thereof State-wise and reasons therefor;

(b) whether the Government proposes to set up plants for the manufacturing of fertilizers in the country, if so, the details thereof;

(c) the targets set for production of fertilizers during the 12th Five Year Plan and the steps taken by the Government to meet the requirement of fertilizers especially during the current year and forthcoming season in the country, State/UT −wise;

(d) whether the Government has any plan to release more fund to increase the fertilizer production in the country, if so, the details thereof; and

(e) whether the Government has any proposal to revamp the existing pricing policy for sale of fertilizers and the monitoring mechanism for supply/distribution of fertilizers, if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SHRI HANSRAJ GANGARAM AHIR)

(a): There is no shortage of fertilizers including Muriate of Potash (MOP) in the country.
(b) & (c): Yes, Madam. The Government had notified New Investment Policy − 2012 on 2nd January, 2013 and its amendment on 7th October 2014 to facilitate fresh investment in urea sector and to make India self-sufficient in the urea sector. At present, there are 6 proposals with Department of Fertilizers for setting up of Greenfield and Brownfield (Expansion) projects.

Apart from this, Government has taken steps for the revival/restructuring of the closed/sick PSUs. At present, all the five units of FCIL (Fertilizer Corporation of India Limited) and three units of HFCL (Hindustan Fertilizers Corporation Limited) are lying closed. As per CCEA decision dated 09.05.2013 two units of the FCIL namely Ramagundam and Talcher are being revived on 'nomination basis'. Further, as decided by union Cabinet on 31.03.2015 Gorakhpur unit of FCIL and Barauni unit of HFCL are to be revived on 'bidding route' while as per decision of the Cabinet dated 21.05.2015 the Sindri unit of the FCIL is to be revived on 'bidding route'. Setting up of fertilizer plants at all these locations is proposed.

The Government has also notified the New Urea Policy 2015 on 25th May, 2015 for existing gas based urea units with the objectives of maximizing indigenous urea production; promoting energy efficiency in urea production; and rationalizing subsidy burden on the Government.

In addition to the above, it is informed that the Union Cabinet on 21.05.2015 has approved for setting up of a new-brownfield Ammonia-Urea Complex in the existing premises of the BVFCL at Namrup (Assam).

Further to ensure adequate availability as per demand in the current season and the forthcoming season, the Department of Fertilizers has taken following steps:-
(1) The month-wise demand is assessed and projected by the Department of Agriculture & Co-operation and Farmers Welfare (DAC&FW) in consultation with the State Governments before commencement of each cropping season.

(2) On the basis of month-wise & state-wise projection given by DAC&FW, Department of Fertilizers allocates sufficient/ adequate quantities of fertilizers to States by issuing monthly supply plan and continuously monitors the availability through following system: -

(i) The movement of all major subsidized fertilizers is being monitored throughout the country by an on-line web based monitoring system (www.urvarak.co.in) also called as Fertilizer Monitoring System (FMS);

(ii) The State Governments are regularly advised to coordinate with manufacturers and importers of fertilizers for streamlining the supplies through timely placement of indents for railway rakes through their state institutional agencies like Markfed etc.

(iii) Regular Weekly Video Conference is conducted jointly by Department of Agriculture & Cooperation and Farmers Welfare (DAC&FW), Department of Fertilizers (DoF), and Ministry of Railways with State Agriculture Officials and corrective actions are taken

to dispatch fertilizer as indicated by the State Governments.

(iv) The gap between demand (requirement) and production is met through import.

(d) & (e): So far as urea sector is concerned, there is no such proposal.

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